

Sept-9-1970

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[REDACTED]

Report to Korry from Under Secretary Johnson on the
40 Committee Meeting of 14 September 1970:

Johnson told Korry the 40 Committee had discussed
the Alessandri election gambit.

[REDACTED]

Korry was told he had at
his discretion the requested [REDACTED] contingency
fund for covert support of projects [REDACTED]

[REDACTED] and was told that he could, at his
discretion, [REDACTED].

(Korry
was told that this fund would be disbursed as agreed
on between him and the station chief.) All appro-
priate members of the US Mission should intensify
military contacts.

Korry was told his role was very delicate, requiring
him to walk a fine line between getting out in front
or allowing the (anti-Allende) will to flag.

[REDACTED]

[REDACTED]

[REDACTED]

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Minutes of 40 Committee Meeting of 30 September 1970

The Committee discussed economic measures to take in Chile, "raising the noise level" with specific economic pressures, so that such signals might be viewed with alarm by the military.

[REDACTED]

"Mr. Karamessines reiterated that Ambassador Korry urged economic actions of this type at this time

[REDACTED]

[REDACTED]

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Minutes of 40 Committee Meeting of 6 October 1970
Re amount of economic turmoil it would take to nudge
the military into a take-over:

"It was apparent that both Frei and Korry
flashed hot and cold, and this resulted in
considerable inconsistency in point of view."

Re the risk of provoking expropriation by USG actions:
"Mr. Kissinger was quite blunt: if higher auth-
ority had the choice of risking expropriation or
Allende accession, he would risk the dangers of
expropriation.... He urged that the US companies
be pressed further."

Re USG posture of open hostility to Allende by overt
economic warfare:

"Mr. Kissinger said the word should be spread in
unmistakable terms short of being completely
obvious."

Re reduction of military aid:

"CIA was directed...to help get the message over
to the military in no uncertain terms that MAP
faucets were to be turned off.... State would
draft a message to Korry to this effect." Korry
was turned down on his suggestion to reduce the
military assistance group immediately, for fear
it would look like our folding our tents.

Re guidance to Korry on meeting with [REDACTED]
Korry was to be instructed to make no commitments
to [REDACTED] nor serve as any channel to
Allende and to attempt only to elicit the future
role with an Allende regime.